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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 003287

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TAGS: [PGOV](#) [PREL](#) [PTER](#) [PINR](#) [ASEC](#) [IZ](#)
SUBJECT: PROVINCIAL LEADERS AGREE TO SUPPORT BAGHDAD
SECURITY PLAN INITIATIVES

REF: BAGHDAD 3172

Classified By: Charge d'Affaires Daniel V. Speckhard for Reasons 1.4(b)
and (d).

11. (C) Summary: As the Baghdad Security Plan (BSP) begins to achieve results in the focus areas, the Baghdad Provincial Council (BPC) has begun to regain infrastructure reconstruction and economic recovery momentum. At a dinner hosted by the CDA, BPC Chairman Mu'eem al-Khademi, Baghdad Governor Hussein al-Tahan, and BPC Economic Chair Kamel al-Shabibi expressed their full support for the BSP initiatives and their desire to make official visits to the focus areas. Moreover, detailing their plans for other reconstruction and recovery initiatives, they explained ways in which they have been working with the GOI to streamline the bidding on and award of GOI-funded reconstruction projects in Baghdad (reftel). The institutionalization of the BPC has been a difficult bureaucratic process; however, through its recent initiatives, it has begun to establish necessary functional links with the GOI and the District Advisory Councils (DAC). End Summary.

12. (C) In an August 27 dinner meeting, Baghdad Provincial Council (BPC) Chairman Mu'een al-Khademi, Baghdad Governor Hussein Al-Tahan, and BPC Economic Chair Kamel Al-Shabibi reassured CDA and senior coalition military leaders of their continuing support for the Baghdad Security Plan and its related initiatives. (NOTE: Baghdad Mayor Saber Al-Essawi was also expected at the event, but did not show up. End Note.) Mu'een reiterated his belief that improving security and essential services bolsters public confidence in Iraq's government while simultaneously isolating those who reject Iraq's political future.

Positive Reactions to Security Plan

13. (C) Provincial leaders agreed that the initial actions of the Baghdad Security Plan (BSP) are triggering an overwhelmingly positive response on the streets of Baghdad, describing newfound hope and optimism among many of the city's residents. Mu'een himself said that the plan has &given a new life8 to residents of Al-Ameriyya, one of the current BSP focus areas.

Baghdad Province Reaches Up For Help

14. (C) Chairman Mu'een also described the measures that he and his provincial government colleagues are taking to support the recovery of the city. He emphasized that the BPC is meeting on a daily basis with national ministries, describing in particular his efforts to seek assistance earlier this week from the Ministry of Oil in dealing with

the current LPG and fuel shortages. He also mentioned ongoing provincial meetings with the Ministries of Electricity, Displacement & Migration, Labor & Social Works, and others to help identify and execute quick-response projects for Baghdad.

15. (C) Both the Chairman and the Governor mentioned their appreciation for recent steps taken by DPM Salih to expedite provincial contracting, citing both the reduction in the bid announcement period and the simplification in handling bid invitations as being particularly helpful. Mu'een also described some internal actions taken by the BPC to expedite funding, including an advance transfer of USD 30 million to the Amanat for upcoming investment spending.

Can The Province Spend Its Money?

16. (C) At the same time, Mu'een and others expressed concerns about the ability for the province to reasonably expend the USD 513 million they have on hand for investment by the end of 2006. BPC Economic Committee Chairman Kamel Al-Shabibi went into detail on this point, reminding CDA that the funds only became available to the BPC in late April, leaving them with a very small window in which to plan, contract, and execute projects. As such, both Kamel and Mu'een stated their doubts that the Amanat and the PC will be able to spend the entirety of their 2006 Investment budget without a mechanism to roll funds designated for ongoing projects into 2007. (Note: The challenges of provincial spending are detailed in reftel. End Note.) Chairman Mu'een described several ambitious projects he would like to see funded over a multi-year period, including a large center for religious

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tourism in Kadhamiya, a significant public housing development in southwest Baghdad, and a trash-powered electrical plant as examples.

17. (C) In response to questions by CDA, provincial officials agreed that operational budgets for provincial government entities have been underfunded, resulting in inconsistent maintenance and supply for existing facilities and programs. Although provincial officials were not specific regarding the best mechanism to respond to this problem, all agreed that additional operating budgets would help improve delivery of services throughout the city and the province.

Public Support for the BSP

18. (C) Citing a recent fatwa urging Iraq's leaders to go out among the people, all three men agreed to make public engagements in focus areas supporting the BSP in the coming two weeks. Further, Governor Hussein mentioned that he was preparing to do a lengthy interview on Al-Arabiya TV in support of the plan the evening of 28 August. Chairman Mu'een also requested PRT support for the Provincial Council and the Governor's office to coordinate media coverage for these visits.

COMMENT

19. (C) Of late, the BPC has been seen by District Advisory Council (DAC) leaders as unresponsive and unengaged on local issues (reftel), and BPC visits to the Baghdad Security Plan focus areas would do much to burnish the council's image in some important areas of Baghdad. Moreover, such events would establish a necessary institutional link between the BPC and the DAC leaders, who are the local government leaders most closely connected to the Baghdad population. While we agree that the BPC has made some progress on expediting GOI construction projects, Mu'een's concerns that the BPC will

not be able to spend its entire budget are valid (see reftel). Embassy staff members are also working closely with the GOI to develop special mechanism to facilitate provincial spending. END COMMENT.
KHALILZAD